

REPORT DIGEST

**DEPARTMENT OF NUCLEAR SAFETY
FINANCIAL AND COMPLIANCE AUDIT
(In accordance with the Federal Single Audit Act
of 1984 and OMB Circular A-128)
FOR THE TWO YEARS ENDED JUNE 30, 1995**

SYNOPSIS

●The Department lacked adequate controls over billings for reimbursable expenditures for the decommissioning and clean-up of a facility and surrounding areas in West Chicago, Illinois.

{Expenditures and Activity Measures are summarized on the reverse page.}

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

INADEQUATE CONTROLS OVER REIMBURSABLE EXPENDITURES

The Department lacked adequate controls over billings to Kerr-McGee Company for reimbursable expenditures. The Department is allowed to bill Kerr-McGee Company for all expenditures directly attributable to the oversight and inspection of the decommissioning and clean-up of the Company's facility and other contaminated areas in and around West Chicago, Illinois. We noted that \$21,773 of qualified expenses were initially overlooked because of a lack of timely accounting reconciliations. (Finding 1, page 8)

We recommended the Department prepare a master listing of expenditures and reconcile qualified reimbursements with billings and project personnel. The Department agreed with this recommendation.

AUDITORS' OPINION

Our auditors state that the June 30, 1995 and 1994 financial statements of the Department of Nuclear Safety are fairly presented.

WILLIAM G. HOLLAND, Auditor General

WGH:KMC:pp

SUMMARY OF AUDIT FINDINGS

Number of This Audit Prior Audit

Audit Findings 1 4

Repeated Findings 0 1

Recommendations Implemented

or not repeated 4 17

SPECIAL ASSISTANT AUDITORS

Berger, Goldstein & Company were our special assistant auditors for this audit.

**DEPARTMENT OF NUCLEAR SAFETY
FINANCIAL AND COMPLIANCE AUDIT
For The Two Years Ended June 30, 1995**

EXPENDITURE STATISTICS	FY 1995	FY 1994	FY 1993
●Total Expenditures (All Funds)	\$30,629,613	\$20,116,549	\$21,677,062
<u>OPERATIONS TOTAL</u> % of Total Expenditures	\$26,748,665 87%	\$17,521,952 87%	\$16,260,627 75%
Personal Services % of Operations Expenditures Average No. of Employees	\$9,299,235 35% 224	\$8,816,537 50% 225	\$8,374,452 51% 224
Other Payroll Costs (FICA, Retirement) % of Operations Expenditures	\$2,451,148 9%	\$2,231,117 13%	\$2,201,500 14%
Contractual Services % of Operations Expenditures	\$2,407,122 9%	\$2,242,509 13%	\$2,175,452 13%
Lump Sums & Other Purposes % of Operations Expenditures	\$9,449,780 35%	\$1,208,073 7%	\$327,471 2%
All Other Operations Items % of Operations Expenditures	\$3,141,380 12%	\$3,023,716 17%	\$3,181,752 20%
<u>GRANTS AND REFUNDS TOTAL</u> % of Total Expenditures	\$3,880,948 13%	\$2,594,597 13%	\$5,416,435 25%
●Cost of Property and Equipment (thousands)	\$22,974	\$21,738	\$21,193

SELECTED ACTIVITY MEASURES	FY 1995	FY 1994	FY 1993
●Emergency exercises conducted	3	4	3
●Nuclear Power Plant inspections	35	14	19
●Drinking water samples tested	1,475	1,500	1,350
●Radiation producing devices inspected	13,165	10,425	9,000
●Mammography facilities inspected	436	432	340
●Contaminated material shipped from West Chicago (tons)	99,216	0	0

AGENCY DIRECTOR(S)
During Audit Period: Thomas W. Orciger Currently: Thomas W. Orciger